

DECLARATION OF MAILING

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery of a true copy of this document to the following:
Mr. Chronister, John N. Nye, P.O. Box 40255, Olympia, WA 98504
DATED this 21 day of October, 2005
at Tumwater, Washington.

Signed: John N. Nye

In the Matter of

ROBERT S. CHRONISTER

Licensee.

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

No. D 05 - 375

STIPULATION AND ORDER

FILED

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FILED
Patricia D. Peterson
Hearing Officer

Pursuant to RCW 34.05.060 and WAC 10.08.230(2)(b), the parties hereby stipulate and agree to the following in resolution of this matter:

Stipulated Facts and Law

1. Robert S. Chronister holds an insurance agent's license issued by the Washington Insurance Commissioner.
2. OIC entered an Order Revoking License on September 2, 2005, revoking this license. Pursuant to RCW 48.04.040, Licensee objected to OIC's order and requested an administrative hearing as a result of which, pursuant to RCW 48.04.020, the Order Revoking License was stayed and Licensee's insurance license was not revoked.
3. In August, 2004, Licensee met with a Washington consumer who had responded to an advertisement for mortgage protection insurance. The consumer instructed the licensee that he was not interested in long term care insurance and was only interested in purchasing life insurance with a death benefit sufficient to pay off his home mortgage of approximately \$125,000. The licensee quoted the consumer a \$125,000 life insurance policy with Mutual of Omaha at \$320 per month. The consumer gave the licensee an initial premium check for \$156 payable to Mutual of Omaha for what the consumer was led to believe was the \$125,000 life insurance policy. In reality, the premium check, which was cashed by Mutual of Omaha, was for a Long Term Care Policy.
4. Licensee then told the consumer that he would correct the mistake and get the \$125,000 life insurance policy issued. Without the consumer's knowledge or consent the licensee completed another application to Mutual of Omaha. Licensee did not apply for the requested \$125,000 amount. Instead, he applied for a \$50,000 Universal Life policy with a \$50,000 term rider on the primary insured. The consumer reviewed this application when it was obtained by the investigator from Mutual of Omaha and said that he had never seen this application and that his signatures were forgeries.
5. Licensee then quoted and offered to put in force for the consumer a life insurance policy with U.S. Financial Life Insurance Company. Licensee had no appointment with U.S. Financial Life Insurance Company, and submitted another application through an appointed U.S. Financial Life Insurance Company agent. The consumer reviewed this application when it was obtained by the investigator from U. S. Financial and said that he had never seen this application and that his signatures were forgeries. Included with the application were forms that consented to HIV testing,

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and a form that would allow bank deductions from the consumer's bank account on which the consumer's signature was also allegedly forged.

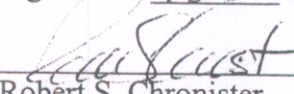
6. In addition to the allegedly forged documents, a photocopy of a supposed blank check marked "VOID" was submitted to U. S. Financial. Licensee Chronister admits to the above-described conduct and to altering the photocopy of this check to remove the name of the original payee, except that Licensee denies forging any signatures.

7. The above-described conduct violated RCW 48.30.040, false, deceptive and misleading representations, RCW 48.30.010(1), unfair or deceptive acts or practices, RCW 48.30.090 misrepresentation of the terms of insurance, RCW 48.17.010, attempting to place insurance with a company with which the agent had no appointment, and RCW 48.30.210, false or misleading statements or impersonations relative to applications.

Stipulation And Consent To Order


Licensee hereby stipulates to the preceding facts and law and to entry of the following Order. Licensee enters into this stipulation voluntarily and in lieu of OIC's request for revocation of Licensee's license for the conduct set forth above and in lieu of any further proceedings in Cause Number D 05-375. Licensee has engaged in practices that are not in accord with the standards set out in Washington Insurance Code and Licensee stipulates and agrees that he will comply with all Washington insurance laws and regulations in the future. Licensee further stipulates and agrees that he will not solicit old customers to replace products issued by companies with whom he was formerly affiliated with new products issued by companies with which he remains or becomes appointed. Licensee further stipulates and agrees that the facts set forth above and the fact of this stipulation may be considered by the Commissioner in any future administrative action regarding Licensee and that any future violation on the part of Licensee of the statutes and regulations set forth above will result in the permanent revocation of his Washington insurance agent's license. Licensee further stipulates and agrees that he will attend an additional 7 hours of continuing education in insurance ethics and will pay a fine of \$5,000, \$2,000 of which amount is due within thirty days of entry of the subjoined orders and the remainder of which shall be due within twelve months thereafter and that failure to pay such fine when due shall constitute adequate grounds for immediate revocation of Licensee's Washington insurance license and that the fine will be recoverable in a civil action brought on behalf of the Commissioner by the Attorney General.

Signed this 13TH day of October, 2005.


Robert S. Chronister

Office of the Insurance Commissioner

By


Charles D. Brown, OIC Staff Attorney

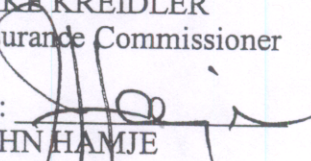
ORDER

IT IS ORDERED that pursuant to RCW 48.17.530, and the foregoing Stipulated Facts and Law and Stipulation and Consent to Order that:

1. Licensee will pay a fine in the total amount of \$5,000, \$2,000 of which amount is due upon entry of this Order and \$3,000 of which is due within twelve months thereafter.
2. Licensee shall not engage in the insurance practices set forth in the foregoing Stipulated Facts and Law.
3. Within twelve months, Licensee will attend an additional seven hours of continuing education in the field of insurance ethics over and above any other continuing education requirement.
3. Failure to pay the fine set forth herein when due or future violation on the part of Licensee of the statutes and regulations set forth in the Stipulated Facts and Law herein will result in the permanent revocation of his Washington insurance license.

ENTERED AT TUMWATER, WASHINGTON, this 17th day of October, 2005.

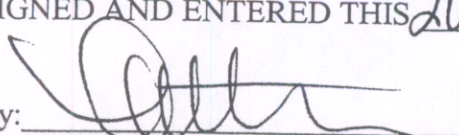
MIKE KREIDLER
Insurance Commissioner

By: 
JOHN HAMJE
Deputy Commissioner

ORDER TERMINATING PROCEEDINGS

This matter having come before the undersigned Administrative Law Judge on the stipulation of the parties, pursuant to RCW 48.17.530 and 48.17.560 and the stipulation of the parties, it is hereby ordered that OIC Docket Number D 05-375 is hereby closed and the adjudicative proceeding therein is hereby dismissed.

SIGNED AND ENTERED THIS 20th day of October, 2005.

By: 
PATRICIA D. PETERSEN
Chief Hearing Officer
Office of Insurance Commissioner

STIPULATION AND ORDER 3



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

ROBERT S. CHRONISTER,

Licensee.

No. D 05 - 375

ORDER REVOKING LICENSE

To: Robert S. Chronister
3893 Gala Loop
Bellingham, WA 98226

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your license is **REVOKED**, effective September 22, 2005, pursuant to RCW 48.17.530 and 48.17.540(2).

THIS ORDER IS BASED ON THE FOLLOWING:

1. In August, 2004, Robert S. Chronister ("licensee") met with a Washington consumer who had responded to an advertisement for mortgage protection insurance. The consumer instructed the licensee that he was not interested in long term care insurance and was only interested in purchasing life insurance with a death benefit sufficient to pay off his home mortgage of approximately \$125,000. The licensee quoted the consumer a \$125,000 life insurance policy with Mutual of Omaha at \$320 per month. The consumer gave the licensee an initial premium check payable to Mutual of Omaha for what the consumer was led to believe was the \$125,000 life insurance policy. In reality, the premium check, which was cashed by Mutual of Omaha, was for a Long Term Care Policy.
2. Licensee then told the consumer that he would correct the mistake and get the \$125,000 life insurance policy issued. Without the consumer's knowledge or consent the licensee completed another application to Mutual of Omaha. Licensee did not apply for the requested \$125,000 amount. Instead, he applied for a \$50,000 Universal Life policy with a \$50,000 term rider on the primary insured. The consumer reviewed this application when it was obtained by the investigator from Mutual of Omaha and said that he had never seen this application and that his signatures were forgeries.
3. Licensee then quoted and offered to put in force for the consumer a life insurance policy with U.S. Financial Life Insurance Company. Licensee had no appointment with U.S. Financial Life Insurance Company, and submitted another application through an appointed U.S. Financial Life Insurance Company agent. The consumer reviewed this application when it was obtained by the investigator from U. S. Financial and said that he had never seen this application and that his signatures were forgeries. Included with the application were forms that consented to HIV testing, and a form that would allow bank deductions from the consumer's bank account.

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4. In addition to the forged documents, a photocopy of a supposed blank check marked "VOID" was submitted to U. S. Financial. This was the consumer's check # 5477 – the very same check that was submitted to Mutual of Omaha and that was cashed by Mutual of Omaha. This check was submitted to U. S. Financial along with the forged application, a forged bank account access authorization, and other forged documents. Licensee Chronister admitted to having altered the photocopy of this check and said he didn't see anything wrong.

5. The licensee violated the following regulations and provisions of the insurance code:

a.) By engaging in unfair or deceptive acts or practices in the conduct of business, the licensee violated RCW 48.30.010 (1).

b.) By making, publishing, and disseminating false, deceptive and misleading representations in the conduct of the business of insurance, the licensee violated RCW 48.30.040.

c.) By making, issuing and circulating misrepresentations of the terms of insurance policies, the licensee violated RCW 48.30.090.

d.) By quoting and attempting to place insurance with a company with whom he had no appointment, the licensee violated RCW 48.17.010.

e.) By making false or misleading statements or impersonations in or relative to applications for insurance, the licensee violated RCW 48.30.210

By reason of your conduct, and your violations of the Insurance Code, you have shown yourself to be, and are so deemed by the commissioner, untrustworthy and a source of injury and loss to the public and not qualified to be an insurance agent in the State of Washington. Accordingly, your license is revoked pursuant to RCW 48.17.530 and RCW 48.17.540(2).

IT IS FURTHER ORDERED that you return your insurance agent's license certificate to the Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4).

NOTICE CONCERNING YOUR RIGHT TO A HEARING. Please note that a detailed summary of your right to contest this Order is attached. Briefly, if you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after the date of this Order, which is the day it was mailed to you, or you will waive your right to a hearing. Your demand for a hearing must specify briefly the reasons why you

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think this Order should be changed. If your demand for a hearing is received by the Commissioner before the effective date of the revocation, then the revocation will be stayed (postponed) pending the hearing, pursuant to RCW 48.04.020. Upon receipt of your demand for hearing, you will be contacted by an assistant of the Chief Hearing Officer to schedule a teleconference with you and the Insurance Commissioner's Office to discuss the hearing and the procedures to be followed.

Please send any demand for hearing to Insurance Commissioner, attention John Hamje, Deputy Insurance Commissioner, Office of the Insurance Commissioner, P.O. Box 40257, Olympia, WA 98504-0257.

ENTERED AT TUMWATER, WASHINGTON, this 2nd day of September, 2005.

MIKE KREIDLER
Insurance Commissioner

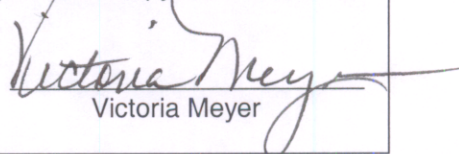
By

JOHN F. HAMJE
Deputy Insurance Commissioner
Consumer Protection Division

DECLARATION OF MAILING

I certify under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery of a true copy of this document to **Robert S. Chronister**.

Dated: September 2, 2005
At Tumwater, Washington


Victoria Meyer

NOTICE OF YOUR RIGHT TO A HEARING

You have the right to demand a hearing to contest this Order. During this hearing, you can present your argument that the Order should not have been entered for legal and/or factual reasons and/or to explain the circumstances surrounding the activities which are the subject of this Order. You may be represented by an attorney if you wish, although in some hearings before this agency parties do choose to represent themselves without an attorney.

Your Demand for Hearing should be sent to John F. Hamje, Deputy Insurance Commissioner, Office of the Insurance Commissioner, P.O. Box 40257, Olympia, WA 98504-0257, and must briefly state how you are harmed by this Order and why you disagree with it. You will then be notified both by telephone and in writing of the time and place of your hearing. If you have questions concerning filing a Demand for Hearing or the hearing process, please telephone the Hearings Unit, Office of the Insurance Commissioner, at 360/725-7002.

Your Demand for Hearing must be made within 90 days after the date of this Order, which is the date of mailing, or your Demand will be invalid and this Order will stand. If your Demand for Hearing is received before the effective date of this Order, the penalties contained in the Order will be stayed (postponed) until after your hearing.

It is important to know that if you demand a hearing, you will have two options for how it will be handled:

Option 1: Unless you specifically request Option 2, your hearing will be presided over by an administrative law judge from the Office of the Insurance Commissioner. Under this option, upon receipt of your Demand for Hearing, the Insurance Commissioner may refer the case to an administrative law judge. The administrative law judge is an individual who has not had any involvement with this case. The administrative law judge will hear and make the final decision in the case without any communication, input or review by the Insurance Commissioner or staff or any other individual who has knowledge of the case. This administrative law judge's final decision may uphold or reverse the Commissioner's action or may instead impose any penalties which are less than those contained in the Order.

Option 2: If you elect, your hearing will be presided over by an administrative law judge from the Office of Administrative Hearings. That administrative law judge will issue an initial or recommended decision which will then be sent to the Insurance Commissioner. The Insurance Commissioner, or his designee, will review the initial decision and make the final decision. The Insurance Commissioner's final decision in the case may uphold, reverse or modify the initial decision, thereby changing the penalty which is recommended in the initial decision. In writing the final decision, the Insurance Commissioner is not bound by the findings of facts or conclusions of law which were made in the initial decision.